

JAMES L. CAMBLOS III  
CHRISTINE C. CAMBLOS

IBLA 83-687

Decided January 30, 1984

Appeal from Eastern States Office, Bureau of Land Management, decision rejecting noncompetitive over-the-counter oil and gas lease offer for acquired lands. ES 30447.

Vacated and remanded.

1. Oil and Gas Leases: Acquired Lands Leases -- Oil and Gas Leases: Applications: Filing -- Oil and Gas Leases: First-Qualified Applicant

Where an acquired lands oil and gas lease offeror signs an offer form in ink, photocopies exact reproductions of the offer form, including the signature, with the intent that the photocopied signature be his signature, and submits the documents as the offer, that offer fulfills the signature requirement of 43 CFR 3111.1-2(a) (1981), and it is improper to reject that offer because the photocopies were not personally signed.

2. Oil and Gas Leases: Acquired Lands Leases -- Oil and Gas Leases: Applications: Filing

Where a noncompetitive acquired lands oil and gas lease offeror submits one original lease offer form together with six copies of the front of the original form and six copies of the back of the form, the offeror has failed to comply with 43 CFR 3111.1-2(a) (1981), which specifies that each copy must be an exact reproduction of one page of both sides of the official approved one-page form. However, failure to submit properly reproduced copies of the form is a curable defect under 43 CFR 3111.1-1(e)(4) (1981).

APPEARANCES: James L. Camblos III, Esq., pro se, and for Christine C. Camblos.

OPINION BY ADMINISTRATIVE JUDGE HARRIS

James L. Camblos III, and Christine C. Camblos have appealed from an April 14, 1983, decision of the Eastern States Office, Bureau of Land Management (BLM), which rejected a noncompetitive oil and gas lease offer for acquired lands, ES 30447, filed with BLM on November 12, 1981, stating

that "copies of official forms are not exact reproductions." BLM cited 43 CFR 3111.1-2 as authority for the decision.

The offer forms, as originally submitted, consisted of a manually signed lease offer form together with 12 photocopies, which consisted of 6 reproductions of the front of the original lease offer form and 6 reproductions of the back of the form.

The regulation cited by BLM in its decision, 43 CFR 3111.1-2(a), and in effect at the time the offer was filed, provides as follows:

§ 3111.1-2 Acquired lands.

(a) Application -- (1) Forms. Except as provided in Subpart 3112, to obtain a noncompetitive oil and gas lease of an existing mineral interest whether the Government's interest be whole or fractional, an offer to lease must be made on a form approved by the Director, "Offer to Lease and Lease for Oil and Gas; Noncompetitive Acquired Lands" or unofficial copies of that form in current use; Provided, That the copies are exact reproductions of one page of both sides of the official approved one-page form and are without additions, omissions, or other changes or advertising. An official form approved by the Director, or a valid reproduction will also constitute the lease, when signed by the authorized signing officer of the Bureau of Land Management. Seven copies of the official form, or valid reproduction thereof, for each offer to lease shall be filed in the proper office (see § 3000.5). For the purposes of this part an offer will be considered filed when it is received in the proper office during business hours.

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(4) Rejection. Except as provided in Subpart 3112 an offer which is not filed in accordance with the applicable regulations in Subpart 3110 or this part will be rejected and will afford the applicant no priority. [1/] [Emphasis in original.]

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1/ On July 22, 1983, 43 CFR 3111 was revised effective Aug. 22, 1983. 48 FR 33648, 33676. Subpart 3111, over-the-counter offers, now provides in pertinent part as follows:

"§ 3111.1 Requirements.

"§ 3111.1-1 General.

"(a) An over-the-counter noncompetitive offer to lease shall be made on a current form approved by the Director, or on unofficial copies of that form in current use. Copies shall be exact reproductions on 1 page of both sides of the official approved form without additions, omissions or other changes or advertising. The original copy of each offer shall be filled in by typewriter or printed plainly in ink, manually signed in ink and dated by the offeror or the offeror's duly authorized agent or attorney-in-fact, and shall be accompanied by a nonrefundable filing fee of \$75 and the first year's rental.



In the statement of reasons for appeal appellants state that when they filed the offer they thought they were following the instructions on the offer form "to the letter," as well as instructions given them by the "local Forestry Office." They state that had they known that seven original signatures were required, they would have manually signed every copy rather than having submitted a manually signed original together with photocopies. With the statement of reasons appellants have submitted seven lease offer forms one of which is an original form and the others are exact reproductions of one page of both sides of the officially approved one-page form, *i.e.*, the front and back of the form is reproduced on each side of a single sheet of paper. All of the filings included with the statement of reasons contain original signatures. Appellants ask that these filings be accepted as a properly filed amendment of the lease offer and serve to preserve the priorities of the original lease offer.

[1] With regard to the signature issue, in Fayette Oil & Gas Corp., 71 IBLA 79 (1983), this Board held that where an oil and gas lease offeror signs an offer form in ink and submits that form plus exact reproduction photocopies of that form, intending that the photocopied signature be the official signature of the offeror, the offeror has complied with the signature requirements of the regulations. <sup>2/</sup> Since there is no evidence that the photocopied signatures are not reproductions of the original signatures nor is there any indication that appellants did not intend the photocopied reproductions of their signatures to constitute their signatures, appellants' signatures on the original filings were in compliance with 43 CFR 3111.1-2(a).

[2] There is another deficiency in appellants' offer. In reproducing their offer form, they copied the front and the back of the form on separate sheets of paper. The regulation required that copies be exact reproductions on one page of both sides of the offer. The Board addressed a similar problem in Richard F. Carroll, 71 IBLA 307 (1983), and Richard F. Carroll (On Reconsideration), 76 IBLA 151, 90 I.D. 432 (1983), in which it considered a situation where an offeror submitted one originally signed copy of an offer with the other copies of the offer being reproductions of the front of the original form only. There, the Board noted that by submitting the front page of the lease form which contained provisions 7 and 8, <sup>3/</sup> the offeror had agreed to

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fn. 1 (continued)

The original and 4 copies of each offer to lease shall be filed in the proper BLM office.

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"(c) No offer may include both public domain and acquired lands."

<sup>2/</sup> Although Fayette Oil & Gas Corp., *supra*, interpreted the regulation, 43 CFR 3111.1-1(a), relating to offers for public domain land, rather than 43 CFR 3111.1-2(a), relating to offers for acquired land, both regulations contain identical language concerning reproductions of the "form approved by the Director."

<sup>3/</sup> Provisions 7 and 8 of both public domain and acquired lands offer forms provide as follows:

"7. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that

be bound by the terms and conditions of the entire lease form, as required by 43 CFR 3111.1-1(e)(4), and thus the filing, though defective, was, nevertheless, "curable" with priority as of the date of the original filing upon submission of the required materials.

The regulation relied on in Carroll, 43 CFR 3111.1-1(e), states in pertinent part:

(e) Curable defects. An offer to lease containing any of the following deficiencies will be approved by the signing officer provided all other requirements are met:

\* \* \* \* \*

(4) An offer on a form not correctly reproduced provided it contains the statement that the offeror agrees to be bound by the terms and conditions of the lease form in effect at the date of filing. [4/]

At the time this offer was filed and at the time the offer was adjudicated by BLM, the regulations contained the curable defects subsection. 5/ In the present situation, appellants submitted copies of the back, as well as a copy of the front, of the original lease form. Applying the Carroll rationale to this case, we find that appellants' offer contained a reproduction defect and that the signing officer could have approved this offer with

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fn. 3 (continued)

may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field.

"8. If this lease does not contain all of the terms and conditions of the lease form in effect at the date of filing, the offeror further agrees to be bound by the terms and conditions contained in that form."

By signing the front of the offer forms, offerors agree to be bound by the terms and conditions of the lease form in effect at the date of filing and accordingly offerors come within the curable defects provision of 43 CFR 3111.1-1(e) and are entitled to receive priority from the date of the initial filing of the offer form when the defect is cured, provided all other requirements are met.

4/ The curable defect section of the regulations is applicable to both public domain and acquired land oil and gas lease offers. See Milan S. Papulak, 30 IBLA 77 (1977); Celia R. Kammerman, 66 I.D. 255, 263 (1959).

5/ As noted previously, 43 CFR 3111 was revised effective Aug. 22, 1983. 48 FR 33648 (July 22, 1983). The regulations no longer include a specific curable defects subsection.

the defect. For that reason and because appellants have on appeal submitted the proper number of copies, reproduced as required, their offer should be reinstated with priority as of the filing date -- November 12, 1981.

We note that in a recent case, Gian R. Cassarino, 78 IBLA 242, 91 I.D. \_\_ (1984), the Board stated that a defect in a noncompetitive over-the-counter oil and gas lease offer may be curable and that such a defect, when cured, would gain for the offer priority as of the date of curing. The Board held, however, with prospective effect that it would "no longer permit defective regular, 'over-the-counter' noncompetitive oil and gas lease offers to be resuscitated with new priority by the submission of 'curative' material after those offers have been properly rejected by BLM." Id. at 247 (Emphasis in original). 6/

The Cassarino case governs situations involving defects other than those listed in the curable defects section of the regulation. Those defects enumerated in the regulation were meant to be the only defects for which an offeror would not lose original priority. All other defects, i.e., those covered by Cassarino, can be cured prior to rejection by BLM with priority established as of the date and time of perfection. Since this case involves a listed defect, original priority attaches and Cassarino does not apply.

Therefore, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior, 43 CFR 4.1, the decision appealed from is vacated and the case is remanded to BLM for further action consistent with this opinion.

Bruce R. Harris  
Administrative Judge

We concur:

James L. Burski  
Administrative Judge

C. Randall Grant, Jr.  
Administrative Judge.

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6/ Cassarino would continue to allow defective offers to be cured prior to rejection by BLM.

